

**CONFIDENTIAL**

1066  
11 April 1947

MEMORANDUM FOR CHIEF, SECURITY BRANCH

Subject: Executive Order 9835 (Loyalty Program)

1. I refer to your memo of 9 April 1947 and the New York Times editorial attached on the above subject. The problem of legislative authority to obtain a free hand for firing employees in the interest of security has been a subject of discussion for considerable time. Since there is no basic disagreement on the desirability of such authority, we have included in a proposed enabling legislation a paragraph (No. 7 of Section 7, latest draft), which would give the Director full power to take the necessary action. The text of this paragraph may be obtained either from Chief, Legislative and Liaison, or this office, if required. As far as I know, no specific objection has been raised to this proposed language in the various reviews of our proposed legislation. Its chances of its eventual enactment are, however, too uncertain for any worthwhile prediction.

2. At present the Atomic Energy Act contains a phrase which might inferentially give the Atomic Energy Commission full authority to discharge employees. Section 12(a) (4) of Public Law 585, 79th Congress, Second Session, approved August 1, 1946, in the last sentence provides that "The Commission shall make adequate provision for administrative review of any determination to dismiss any employee".

3. Mr. Pforzheimer can probably give up-to-date information on whether clearer authority is being sought by this Commission or the State Department.

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LAWRENCE R. HOUSTON  
General Counsel

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